

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4526-04  
Bill No.: Truly Agreed to and Finally Passed SCS for HB 1440  
Subject: Retirement - State; Retirement Systems and Benefits - General; Boards,  
Commissions, Committees, Councils; Retirement - Local Government;  
Employees - Employers  
Type: Original  
Date: June 2, 2004

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### **FISCAL ANALYSIS**

#### **ASSUMPTION**

The **Joint Committee on Public Employee Retirement (JCPER)** has reviewed this proposal and has determined an actuarial study is not needed under the provisions of section 105.660, subdivision (5).

Provisions contained in this legislation are clarifying provisions, there is no cost to the HEHPRS associated with this proposal.

Participation in the LAGERS system by regional planning commissions is optional under this proposal, there is no cost to the system associated with the proposal.

Officials with the **Highway Employees and Patrol Retirement System, Local Government Employees' Retirement System and County Employees' Retirement System** assume no fiscal impact to their agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This bill specifies that regional planning commissions will be considered political subdivisions for the purposes of Sections 70.600 - 70.755, RSMo. Employees of regional planning commissions are eligible for membership in the Missouri Local Government Employees' Retirement System once the commission is considered an "employer" as defined in Section 70.600. Moneys owed to any retirement system must be paid prior to the dissolution of the commission.

The bill renames the Highways and Transportation Employees' and Highway Patrol Retirement System as the Missouri Department of Transportation and Highway Patrol Employees' Retirement System. The bill also:

- (1) Allows time taken without compensation, in accordance with the Family and Medical Leave Act of 1993, to be counted as membership service under the system;
- (2) Revises when a member of the system may retire once normal retirement age has been reached and allows a member to waive a monthly annuity or cost-of-living adjustment;
- (3) Allows a uniformed member of the State Highway Patrol to retire at age 55 once the member has accrued four years of creditable service. Uniformed members must retire when reaching 60 years of age;

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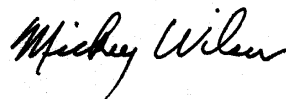
DESCRIPTION (continued)

- (4) Revises certain option elections for members whose retirement age is 48 years of age and who petition for retirement on or after August 28, 2004;
- (5) Revises provisions regarding the reversion of retirement benefits of a current spouse or a former spouse who precedes a member in death. This provision pertains to members who retire on or after July 1, 2000;
- (6) Requires members who are receiving disability benefits pursuant to subsections 1 and 2 of Section 104.110 be eligible for a death benefit of \$5,000;
- (7) Revises the time of the selection of the chairperson and vice-chairperson of the board. The executive director of the board may execute the necessary documents to carry out all actions of the board;
- (8) Revises the notice requirements for meetings of the board and allows the executive director or employees of the system to receive other compensation;
- (9) Classifies board members, elected employees of the Highways and Transportation Commission, and elected employees of State Highway Patrol as persons whose services will be considered non-separable from employment; and
- (10) Revises a provision regarding surviving spouses who are eligible to receive benefits. The retirement application of the deceased member must be filed prior to August 28, 2004.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Joint Committee on Public Employee Retirement  
Local Government Employees' Retirement System  
County Employees' Retirement System  
Highway Employees and Patrol Retirement System



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Director

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